

**AMENDED MEMORANDUM OF UNDERSTANDING  
BETWEEN  
SEIU LOCAL 5 PUBLIC WORKS NON-SUPERVISORY EMPLOYEE GROUP  
AND THE  
CITY OF TEMPE**

**July 1, 2005 – June 30, 2007**

**C2005-143A**

This Amended Memorandum of Understanding between SEIU Local 5 Public Works Non-supervisory Employee Group and the City of Tempe July 1, 2005 – June 30, 2007 (“Amended MOU”) is made and entered into this 1st day of June, 2006 by and between the City of Tempe (“City”) and the SEIU Local 5 Public Works Non-supervisory Employee Group (“SEIU-PW”).

**RECITALS**

WHEREAS, the City and SEIU-PW met and conferred and entered into a Memorandum of Understanding July 1, 2005 – June 30, 2007 (“MOU”), which was approved by the City Council on June 15, 2005;

WHEREAS, representatives of the City and SEIU-PW agreed to re-open the MOU as provided for in Article 33, and have further agreed upon amendments to the MOU;

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing and the mutual obligations of the parties hereto, the City and SEIU-PW agree as set forth below:

1. Applicability of MOU. With the exception of the provisions stated herein, all other provisions of the MOU shall remain in full force and effect.
2. Rights of the Union. Article 2, paragraph 5 of the MOU is hereby amended to provide as follows:
  5. During the term of this Agreement, the City will provide up to 1700 hours in fiscal year 2005/2006 and 1400 hours in fiscal year 2006/2007 to be utilized by Union Representatives as authorized by the Union for the purpose of conducting Union-related business. Of the 1700 hours per year available for Fiscal Year 2005/2006, 375 hours shall be deemed to have been utilized prior to the effective date of this MOU. The time utilized must be authorized in advance by the Department Manager.

3. Wages. Article 3, sections 1 and 2 of the MOU are hereby amended to provide as follows:

1. Wages and Productivity Enhancement Bonus

The City shall maintain the current step increases of up to 5% for all Unit Members who have not reached the maximum salary of their current salary range. These step increases will be effective July 1, 2005 and July 1, 2006.

Unit Members who do not receive a step increase or a market survey adjustment of at least 1% in July, 2005 will receive a one time Productivity Enhancement Bonus of 1% of base pay to be paid in July, 2005. Unit Members who do not receive a step increase or a market survey adjustment of at least 2.5% in July 2006, will receive a one-time Productivity Enhancement Bonus of 2.5% of base pay, to be paid in August 2006.

2. Market Adjustments

The City will implement salary range adjustments on July 1<sup>st</sup>, 2005 for all Unit Members whose range is currently below the market median as indicated in the City's 2004/2005 market survey. Range adjustments made for Unit Members currently at the maximum of their range will result in appropriate step increases as indicated under the "Wages" section above. Any Unit Member whose current salary is below a new minimum established by the 2004/2005 market survey will have their actual salary increased to that new minimum.

Pending City Council approval, the City will implement salary range adjustments on January 1<sup>st</sup>, 2006 for all Unit Members whose range is currently below the market median as indicated in the City's 2005/2006 market survey.

In July 2006, the City will implement market survey adjustments to move Tempe wage ranges to the "75<sup>th</sup> percentile" (calculated as the mean of the market median and the market maximum) of the established market. Any Unit Member whose salary is below the newly-established range maximum, based on the 2006/2007 market survey, shall receive the appropriate step increase(s), as indicated under the "Wages" section above, of no more than 5%. However, any Unit Member whose salary is below the newly-established range minimum for his/her position shall receive a salary increase to at least that new minimum. Any wage increase resulting from a range adjustment, based on the 2006/2007 market survey, will be retroactive to the beginning of the City's first pay period ending in July 2006.

A Union Representative who is a city employee shall be included in the planning process for the 2006/2007 Market Survey conducted by Human Resources.

4. **Deferred Compensation.** Article 4, paragraphs 1 and 2 of the MOU are hereby amended to provide as follows:

1. Between July 1, 2005 and June 30, 2006, Unit Members will continue to receive currently scheduled deferred compensation credit. Between July 1, 2006 and June 30, 2007, the City will institute a one-year deferred compensation pilot program. Under the pilot program, Unit Members who contribute into the City's deferred compensation plan shall be eligible to receive matching deferred compensation contributions from the City, as follows:

Less than 7 years of service	up to \$10 per pay period
After 7 years but less than 15 years	up to \$20 per pay period
After 15 years of service	up to \$30 per pay period

2. Each City contribution in paragraph 1 will be made into the City's 401(k) deferred compensation plan. The Unit Member has no immediate tax obligation under the 401(k) plan.

5. **Life Insurance.** Article 6, paragraph 1 of the MOU is hereby amended to increase the amount provided as a death benefit for commuter life from \$200,000 to \$250,000.

6. **Uniform, Clothing and Equipment Allowances.** Article 25 of the MOU is hereby amended by adding the following paragraph:

As of July 1, 2006, the tool allowance shall be raised to \$500 per year for eligible Unit Members.

7. **Vacation Leave.** Article 26 of the MOU is hereby amended to provide as follows:

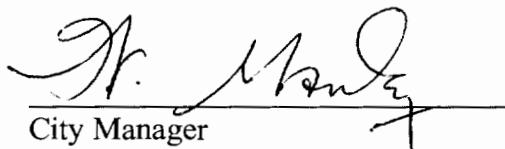
Unit Members on a forty (40) hour work schedule will accrue vacation in accordance with the following schedule. Accrual amounts are based upon continuous service as a City of Tempe employee.

0 to completion of 5 years of City service	9.33 hours per month
After completion of 5 years, but less than 10 years	11.33 hours per month
After completion of 10 years, but less than 15 years	13.33 hours per month
After completion of 15 years, but less than 20 years	14.67 hours per month
After completion of 20 years	16.00 hours per month


Maximum vacation accrual shall be 450 hours.

IN WITNESS WHEREOF, the Parties hereto have executed this Amended MOU this  
1st day of June, 2006.

CITY OF TEMPE, ARIZONA

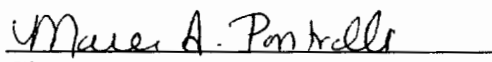
By:   
City Manager

SEIU-PW REPRESENTATIVE

By: 

Its: 

APPROVED AS TO FORM:

  
City Attorney